Background

1. The programming arrangements for the period 2008-2011 were reviewed and approved by the Executive Board, in its decision 2007/33, during its second regular session 2007. Among other changes, the programming arrangements contain specific proposals to enhance the effectiveness of the existing TRAC-2 facility.

2. Executive Board decision 2007/33 established a 50:50 share between TRAC-1 and TRAC-2 for that entire pool of resources. It also confirmed that country limitations on the assignment of TRAC-2 resources no longer exist, and provided regional flexibility of up to 10 per cent.

3. Decision 2007/33 also requested the Administrator to submit to the Executive Board, at its first regular session 2008, information on: (a) country-by-country TRAC-2 allocation since 2005; (b) the methodology of TRAC-2 allocation; and (c) criteria for establishing specific fixed lines, for further consideration of these issues.

4. With regard to the criteria for establishing fixed lines, it is important to highlight that decision 2007/33 also requests the Administrator to submit to the Executive Board, at its first regular session 2009, a report with proposals to realign cost classification activities funded from the programme financial framework and the biennial support budget in the context of the preparation of the biennial support budget, 2010-2011. The criteria and rationale for establishing fixed lines are an integral to the cost classification issue.

5. This note provides the information requested in decision 2007/33, organized into two chapters. The first explains the methodology for TRAC-2 and the country-by-country allocation for the 2004-2007 programming period, while the second gives the criteria for establishing fixed lines in the programming arrangements framework.

I. The TRAC-2 allocation framework and methodology

6. The TRAC-1/TRAC-2 resource facility was legislated by Executive Board decision 95/23, in which the successor programming arrangements for 1997-1999 were approved. The resource facility superseded the former indicative planning figures resource facility, primarily to provide a more flexible method of allocating regular resources to programme countries. The legislation emphasized that national development priorities are the primary determinant of UNDP-supported programmes, which must remain country-driven. It also stated that the programming arrangements for both TRAC-1 and TRAC-2 would be the same

7. With respect to TRAC 2, the decision stressed (a) the need to ensure that countries with limited capacity for programme formulation benefit fully from TRAC 2, inter alia strengthening their capacity for programme design and implementation to enhance access to TRAC 2 resources; (b) the importance of programme quality, including the degree to which programme proposals are aimed at promoting high-leverage activities in the sustainable human development focus areas, particularly poverty elimination; and (c) the need to address special needs and opportunities for capacity-building.

8. The underlying objective of the TRAC-2 resource facility thus remains to "provide the Administrator with the flexibility to allocate resources to high-impact, high-leverage activities and to reward programme quality".

9. In its decision 2005/26, the Executive Board endorsed the UNDP proposal that it focus additional TRAC-2 resources on capacity development to support achievement of the Millennium Development Goals, recognizing that capacity development and national ownership are essential for their achievement. UNDP gradually oriented TRAC-2 resources towards support to programme countries for developing capacity[1] to achieve the Goals.

10. Capacity development is reflected in the updated strategic plan, 2008-2011, as one of the critical contributions to development across the four programmatic areas of intervention. As stated in decision 2007/32, "support to capacity development constitutes the overarching contribution of UNDP in assisting the efforts of programme countries to achieve internationally agreed development goals, including the Millennium Development Goals, and underlines that the emphasis of capacity-building includes institutional and human capacity-building in accordance with their national plans and strategies".

11. Accordingly, the criteria that guide the allocation of TRAC-2 resources are aligned to the areas of support identified in the updated strategic plan with regard to capacity development, responding to the national plans and strategies of programme countries. This includes areas that provide specific entry points to leverage opportunities available at the country level, and that enhance the quality of UNDP-supported programmes within the context of approved country programme documents and country programme action plans.

Allocation criteria

12. UNDP engages in capacity development activities in four areas:

(a) Capacity assessments[2];
(b) Capacity development response strategies;
(c) Costing capacity development strategies; and
(d) Capacity development monitoring and evaluation.

For further details, please see *Supporting Capacity Development: The UNDP Approach,* available online at www.capacity.undp.org.

13. In view of the above, three primary criteria are used as the main determinants for allocating TRAC-2 resources, as follows:

Criterion 1. National capacities for the Millennium Development Goals and human development, policy and plans

14. Areas of support under criterion 1 are:

(a) MDG needs assessments and costing;
(b) Monitoring, analyzing and reporting on Millennium Development Goals and human development progress;
(c) Research and diagnostic capacities to support macroeconomic, governance, and sector approaches that support the Millennium Development Goals and human development;

[1] UNDP defines 'capacity' as "the ability of individuals, institutions, and societies to perform functions, solve problems, and set and achieve objectives in a sustainable manner".
[2] UNDP Practice Note on Capacity Assessment, September 2007, available online at www.capacity.undp.org.

(d) Capacity assessments, costing and designing capacity development response; and

(e) Policy development, transformation or review in support of the Millennium Development Goals and International Development Targets.

Criterion 2. National capacities for implementation of development strategies and goals

15. Areas of support under criterion 2 are:

(a) Capacities for state building and service delivery in crisis and post conflict;

(b) Capacity development for national aid management and coordination;

(c) Sub national capacities for local development, Millennium Development Goals implementation and service delivery;

(d) National capacities for monitoring and accountability of development results; and

(e) Capacity development for national programme implementation, including delivery on Global Funds against HIV/AIDS, Tuberculosis, and Malaria.

Criterion 3. Response to emerging development priorities of programme countries

16. Areas of support under criterion 3 are:

(a) South-South cooperation initiatives;

(b) Gender equality and women's empowerment;

(c) Resource mobilization for national and local-level Millennium Development Goals initiatives;

(d) United Nations inter-organization collaboration and United Nations common initiatives; and

(e) Public-private sector and civil society partnerships towards development goals.

A. TRAC-2 resources allocated during the period 2004-2007: process and methodology

17. Decision 95/23 introduced a new, more flexible, three-tier target for the allocation of resources to the country level. The tree-tier allocation system operates within two separate TRAC resources facilities, namely, TRAC-1/TRAC-2 and TRAC-3, as TRAC-1/TRAC-2 constitute the same resource facility.

18. At the beginning of each programming cycle, TRAC 1 resources are computed and allocated as legislated based on the latest gross national income per capita (GNI) and population data available. For the 2008-2011 programming period, the 2005 GNI and population data will be used.

19. The TRAC-2 resources allocation process differs from TRAC-1, as the former are allocated based on a thorough assessment of the effective integration by country programmes of some of the criteria listed above. The relevance of the criteria is analysed in the context of national development priorities, including special development situations, and delivery and

absorptive capacities. The overall quality of programmes remains a key cross-cutting element across the three criteria.

20. Subsequent to decision 2005/26 endorsing the UNDP proposal to focus additional TRAC-2 resources on capacity development, and introducing a revised distribution for TRAC-2 resources above the base line of $ 450 million, UNDP updated the internal TRAC-2 allocation framework to ensure that TRAC-2 resources are allocated in line with TRAC-2 legislation and based on the above criteria.

21. TRAC-2 allocation criteria are communicated to country offices to ensure that they are an integral part of the country programming process Thus, the TRAC-2 framework is implemented within the context of the UNDP country programming process as currently defined, that is,. through the common country assessment (CCA)/United Nations Development Framework (UNDAF) and country programme document/country programme action plan process. As indicated in the preceding paragraphs, the final allocation for individual countries is based on responsiveness to established criteria; programme quality and performance in programme delivery. The review process takes place at the same time for all countries across all regions.

22. The allocation of TRAC-2 resources adheres to the legislated distribution, that is, 85-91 per cent of total TRAC-1 and TRAC-2 resources to low-income countries and at least 60 per cent to least developed countries.

23. In line with decision 2005/26, out of $550 million in available programme resources, an amount of $100 million above the base total programming level of $450 million for the years 2006 and 2007 was distributed equally between TRAC-1 and TRAC-2. The annual share of TRAC-1 and TRAC-2 resources, above the base programming of $450 million, was 78.8 per cent, or $78.8 million. An annual TRAC-2 of $39.4 million, or a total of $78.8 million, was therefore distributed for the years 2006 and 2007. Annex 1 shows the total TRAC-2 allocation per country from 2004 to 2007, while annex 2 presents regional shares and distribution by income categories.

24. Annexes 1 and 2 show that the 2004-2007 distributions complied with Executive Board legislation requiring that 85-91 per cent of TRAC-1 and TRAC-2 resources be allocated to low-income countries and at least 60 per cent to least developed countries. They also show that for 2006-2007, the allocation was in line with the revised distribution, in accordance with decision 2005/26.

B. Monitoring and reporting on the utilization of TRAC-2 resources

25. The criteria presented here constitute the basis for allocating TRAC-2 resources based on a qualitative analysis and review of proposals from country offices, as explained in the preceding paragraphs.

26. The focus of TRAC-2 on capacity development as the overarching contribution of UNDP to development in the four areas of intervention is expected to enhance the effectiveness and focus of UNDP-supported programmes. The criteria also provide a strong programmatic basis for country programmes to effectively support capacity development towards achieving the Millennium Development Goals.

27. TRAC-2-funded activities are not reported as separate and independent activities, since once the allocation process is completed, TRAC-2 resources become fully fungible with TRAC-1 resources. With regard to substantive monitoring and reporting, the effectiveness of UNDP support to capacity development will be monitored and reported in the context of the monitoring and reporting process connected with the strategic plan, 2008-2011.

II. Fixed lines of the programming arrangements

Background and rationale

28. In document DP/2002/WP.1, UNDP introduced to the Executive Board the concept of fixed lines with the objective of establishing fixed absolute amounts for selected programme lines. The rationale was to establish fixed earmarkings, in dollars, amounts for programme components or facilities which : " (a) are considered essential for key substantive operations at the country level within the context of the UNDP business plans; (b) require a certain critical mass of funding to function effectively; and (c) are meant to respond to essential programme or programme- related demands that are not, or are only very indirectly, affected by fluctuation in the overall magnitude of UNDP programme resources and activities ".

29. In its decision 2002/18, the Executive Board endorsed and established fixed earmarkings in terms of dollar amounts for a number of programme lines as presented in the report on programming arrangements for the period 2004-2007 (DP/2002/28). The present report presents criteria and rationale for each fixed line and the proposed fixed allocations. The establishment of the fixed lines was seen as supporting a higher degree of predictability and assurance of funding, in line with the criteria proposed in DP/2002/WP.1 as presented in paragraph 25, above.

30. Decision 2002/18 resulted in fixed absolute amounts when the minimum level of available programme resources is at or above the annual target of $450 million. The fixed lines are adjusted prorata when resources fall below $450 million. Thus, fixed lines do not receive additional regular funding if available programme resources exceed the $450 million target, but variable lines receive both increased relative percentages and absolute amounts.

31. In view of the significant increases in flows of all resources and associated increases in workload, all the fixed programme components have experienced increased demand for their services and functions. Nonetheless, as implied in the term 'fixed', there is a degree of rigidity in the existing formula where Executive Board allocations cannot be increased to the fixed lines without the explicit approval of the Executive Board. This tends to limit the flexibility and responsiveness of UNDP to fund potentially increased demands for services from the fixed lines. To address that issue, UNDP has proposed some real and nominal increases of the fixed lines for the 2008-2011 programming arrangements. The rationale and substantive linkage of the proposed fixed lines to UNDP programmatic work and strategic plan priorities as key criteria for each line is also articulated in document DP/2007/44, *Proposals on programming arrangements for the period 2008-2011*, paragraphs 35-51.

Criteria for establishing fixed lines

32. In the light of the above background and decision 2002/18, the main guiding principle or eligibility criterion for fixed lines is *"functions or activities that are directly linked or contribute to development effectiveness"*. In the context of ongoing discussions with the Executive Board, UNDP has proposed incorporating in the programming arrangements for 2008-2011 functions or activities that support the effectiveness of programmes that could be immediately rationalized. That approach was proposed for the following reasons:

(a) As fixed lines were established and fully recognized as 'fixed' in the context of the 2004-2007 programming arrangements, the review of what represents fixed lines takes place in the context of the time frame of the programming cycle – that is, at the beginning of each programming cycle UNDP presents to the Executive Board the list of functions proposed as 'fixed lines'. As a result, UNDP has presented a few changes to the existing list of fixed components in line with (a) definitions of certain functions harmonized with UNFPA and UNICEF in the context of the results based budgeting initiative; and (b) the need to regularize some programmatic activities identified in the context of the 2004-2007 programming arrangements and 2006-2007 biennial support budget. The latter constitute the criteria used for the proposed changes in the fixed lines for 2008-2011.

(b) UNDP has informed the Executive Board of the need to undertake a comprehensive review of its costs classification with the objective of clarifying and defining programme and management costs. Pursuant to discussions with the Board on the 2008-2011 programming arrangements, the Board has asked UNDP to present, at the first regular session 2009, proposals to realign cost classification activities funded from the programme financial framework and the biennial support budget in the context of the 2010-2011 biennial support budget preparation. That report would be the result of a comprehensive review of cost classification in UNDP, of which fixed lines of the programming arrangements are an integral part. As UNDP has not yet undertaken this exercise, it has proposed, for the 2008-2011 programming arrangements, some changes in the fixed lines limited to those areas where consensus has already been reached with United Nations partners (UNICEF and UNFPA) and the Board .

33. As a comprehensive review of cost classification will be discussed at the first regular session 2009 of the Executive Board, UNDP will revisit the existing programme financial framework and components as presented in annex 3, and the biennial support budget/results based budget functions, with a view to providing a full rationale of its cost classification and alignment of funding modalities, in accordance with decision 2007/33.

Annex 1.

Annual TRAC-2 assignments at the $450 million and above the $450 million (additional $100 million) level of resources, 2004-2007

(in thousands of dollars)

Region	County	Income status	LDC status	2004	2005	2006		2007		Total		Total at and above $450 million
						At $450 million	Above $450 million	At $450 million	Above $450 million	At $450 million	Above $450 million	
Africa	ANGOLA	LIC	LDC	1,793	1,793	1,763	403	1,308	403	6,658	805	7,463
	BENIN	LIC	LDC	1,288	1,288	1,440	393	1,277	393	5,294	786	6,080
	BOTSWANA	MIC		245	245	267	66	214	66	971	132	1,103
	BURKINA FASO	LIC	LDC	2,061	2,061	2,566	653	2,121	653	8,810	1,305	10,115
	BURUNDI	LIC	LDC	2,008	2,008	1,974	613	1,993	613	7,982	1,227	9,209
	CAMEROON	LIC		986	986	1,042	258	837	258	3,850	515	4,366
	CAPE VERDE	MIC	LDC	233	233	180	68	221	68	867	136	1,003
	CENTRAL AFRICAN REPUBLIC	LIC	LDC	1,121	1,121	973	326	1,059	326	4,274	652	4,925
	CHAD	LIC	LDC	1,881	1,881	1,171	471	1,530	471	6,463	942	7,404
	COMOROS	LIC	LDC	389	389	268	99	323	99	1,368	199	1,567
	CONGO	LIC		415	415	385	118	383	118	1,598	235	1,834
	CÔTE D'IVOIRE	LIC		808	808	1,022	231	751	231	3,389	462	3,851
	DEMOCRATIC REPUBLIC OF THE CONGO	LIC	LDC	4,256	4,256	4,692	1,441	4,684	1,441	17,886	2,883	20,769
	EQUATORIAL GUINEA	LIC	LDC	233	233	177	65	212	65	856	131	987
	ERITREA	LIC	LDC	1,391	1,391	1,519	456	1,481	456	5,783	912	6,695
	ETHIOPIA	LIC	LDC	4,643	4,643	4,717	1,538	4,999	1,538	19,002	3,077	22,079
	GABON	MIC		263	263	213	74	242	74	979	149	1,128
	GAMBIA	LIC	LDC	733	733	591	188	610	188	2,667	375	3,042
	GHANA	LIC		1,668	1,668	1,862	559	1,815	559	7,013	1,117	8,131
	GUINEA	LIC	LDC	1,335	1,335	600	318	1,034	318	4,305	637	4,941
	GUINEA-BISSAU	LIC	LDC	946	946	687	265	862	265	3,441	531	3,972
	KENYA	LIC		1,811	1,811	1,849	590	1,918	590	7,389	1,181	8,570
	LESOTHO	LIC	LDC	588	560	558	191	621	191	2,327	382	2,709
	LIBERIA	LIC	LDC	1,329	1,329	1,474	331	1,075	331	5,206	661	5,867
	MADAGASCAR	LIC	LDC	2,759	2,759	1,741	574	1,864	574	9,124	1,147	10,271
	MALAWI	LIC	LDC	2,363	2,363	2,345	766	2,488	766	9,559	1,531	11,090
	MALI	LIC	LDC	2,312	2,312	2,621	640	2,081	640	9,327	1,281	10,607
	MAURITANIA	LIC	LDC	739	739	781	278	904	278	3,162	556	3,718
	MAURITIUS	MIC		233	233	178	67	218	67	863	134	997
	MOZAMBIQUE	LIC	LDC	2,181	2,181	2,261	758	2,464	758	9,087	1,516	10,603
	NAMIBIA	MIC	LDC	263	263	313	84	272	84	1,110	167	1,277
	NIGER	LIC	LDC	2,467	2,467	2,654	692	2,248	692	9,835	1,384	11,219
	NIGERIA	LIC		3,141	3,141	3,164	1,156	3,757	1,156	13,202	2,312	15,514
	RWANDA	LIC	LDC	1,938	1,938	1,914	592	1,924	592	7,716	1,184	8,900
	SAO TOME AND PRINCIPE	LIC	LDC	245	245	177	65	212	65	879	131	1,010
	SENEGAL	LIC	LDC	1,345	1,345	1,360	401	1,303	401	5,353	802	6,155
	SIERRA LEONE	LIC	LDC	1,592	1,592	1,778	451	1,466	451	6,428	902	7,330
	SOUTH AFRICA	MIC		263	263	281	66	215	66	1,021	132	1,153
	SWAZILAND	MIC		245	245	202	73	236	73	928	145	1,073
	TOGO	LIC	LDC	1,221	1,221	1,043	342	1,110	342	4,596	683	5,279
	UGANDA	LIC	LDC	2,375	2,375	2,454	748	2,431	748	9,035	1,496	11,132
	UNITED REPUBLIC OF TANZANIA	LIC	LDC	2,388	2,388	3,163	850	2,762	850	10,701	1,700	12,400
	ZAMBIA	LIC	LDC	1,785	1,785	1,782	611	1,986	611	7,338	1,222	8,560
	ZIMBABWE	LIC		1,241	1,241	989	325	1,056	325	4,528	650	5,178
Africa total				**63,520**	**63,492**	**63,193**	**19,253**	**62,566**	**19,253**	**252,771**	**38,506**	**291,277**

Annex 1, continued

Annual TRAC-2 assignments at the $450 million and above the $450 million (additional $100 million) level of resources, 2004-2007
(in thousands of dollars)

Region	County	Income status	LDC status	2004	2005	2006		2007		Total		Total at and above $450 million
						At $450 million	Above $450 million	At $450 million	Above $450 million	At $450 million	Above $450 million	
Asia and the Pacific	AFGHANISTAN	LIC	LDC	2,980	2,980	3,041	978	4,470	133	13,471	1,111	14,583
	BANGLADESH	LIC	LDC	3,178	3,178	4,004	1,316	4,401	1,316	14,762	2,632	17,394
	BHUTAN	LIC	LDC	700	700	635	198	661	551	2,695	748	3,444
	CAMBODIA	LIC	LDC	2,020	2,020	2,061	656	2,194	656	8,294	1,312	9,606
	CHINA	LIC		2,789	2,789	2,859	794	2,657	794	11,094	1,589	12,682
	COOK ISLANDS	MIC		31	31	27	8	27	8	116	16	132
	DEM. PEOPLE'S REP. OF KOREA	LIC		2,018	2,017	1,651	-	-	33	5,685	33	5,718
	FEDERATED STATES OF MICRONESIA	MIC		19	19	16	5	17	5	72	10	82
	FIJI	MIC		32	32	29	9	29	9	121	17	138
	INDIA	LIC		4,373	4,373	4,373	1,214	4,060	1,214	17,178	2,428	19,606
	INDONESIA	LIC		1,701	1,701	2,126	600	2,006	600	7,534	1,199	8,733
	IRAN (ISLAMIC REPUBLIC OF)	MIC		290	233	223	64	215	64	961	128	1,090
	KIRIBATI	LIC	LDC	63	63	57	19	64	19	248	38	286
	LAO PEOPLE'S DEM. REPUBLIC	LIC	LDC	1,566	1,566	1,420	442	1,879	395	6,432	837	7,269
	MALAYSIA	MIC		214	214	198	56	186	56	812	111	923
	MALDIVES	MIC	LDC	292	292	254	79	266	79	1,103	159	1,262
	MARSHALL ISLANDS	MIC		19	19	16	5	17	5	70	10	80
	MONGOLIA	LIC		556	556	541	171	620	375	2,273	545	2,819
	MYANMAR	LIC	LDC	3,675	2,940	2,800	913	3,054	913	12,468	1,826	14,295
	NAURU	MIC		3	3	3	1	3	1	12	2	14
	NEPAL	LIC	LDC	3,036	3,036	2,753	857	2,866	1,210	11,691	2,067	13,758
	NIUE	MIC		22	22	19	6	19	6	83	12	94
	PAKISTAN	LIC		2,793	2,793	3,090	947	3,166	1,200	11,843	2,146	13,989
	PALAU	TransNCC		4	4	4	1	4	1	15	2	18
	PAPUA NEW GUINEA	LIC		630	630	638	199	666	452	2,565	651	3,216
	PHILIPPINES	MIC		743	743	861	265	888	265	3,236	531	3,767
	SAMOA	MIC	LDC	182	182	170	58	194	58	728	116	844
	SOLOMON ISLANDS	LIC	LDC	266	266	258	87	293	440	1,082	528	1,610
	SRI LANKA	LIC		715	715	712	227	759	227	2,901	454	3,356
	THAILAND	MIC		247	247	251	71	237	71	981	142	1,123
	TIMOR-LESTE	LIC		483	483	534	170	570	170	2,070	341	2,411
	TOKELAU	MIC		54	54	47	14	48	14	201	28	230
	TONGA	MIC		20	20	17	5	17	5	74	10	84
	TUVALU	MIC	LDC	30	30	26	9	30	9	115	18	133
	VANUATU	MIC	LDC	66	66	57	20	65	96	254	115	369
	VIET NAM	LIC		2,411	2,411	2,414	677	2,263	677	9,499	1,353	10,852
Asia and the Pacific total				**38,221**	**37,428**	**38,185**	**11,141**	**38,907**	**12,126**	**152,740**	**23,268**	**176,008**

Annex 1, continued

Annual TRAC-2 assignments at the $450 million and above the $450 million (additional $100 million) level of resources, 2004-2007

(in thousands of dollars)

Region	Country	Income status	LDC status	2004	2005	2006		2007		Total		Total at and above $450 million
						At $450 million	Above $450 million	At $450 million	Above $450 million	At $450 million	Above $450 million	
Arab States	ALGERIA	MIC		230	230	263	75	245	75	968	149	1,117
	DJIBOUTI	LIC	LDC	233	233	263	67	221	67	950	135	1,085
	EGYPT	MIC		571	571	686	194	636	194	2,464	388	2,852
	IRAQ	MIC		454	454	439	139	457	139	1,805	278	2,083
	JORDAN	MIC		233	233	264	72	237	72	968	145	1,113
	LEBANON	MIC		230	230	258	78	257	78	975	156	1,131
	MOROCCO	MIC		367	367	346	107	352	107	1,432	215	1,647
	SOMALIA	LIC	LDC	2,252	2,252	2,192	705	2,315	705	9,011	1,411	10,422
	SUDAN	LIC	LDC	2,295	2,295	2,285	716	2,350	716	9,225	1,432	10,657
	SYRIAN ARAB REPUBLIC	MIC		459	459	533	146	480	146	1,930	292	2,222
	TUNISIA	MIC		233	233	258	65	212	65	937	129	1,066
	YEMEN	LIC	LDC	1,819	1,819	2,014	535	1,755	535	7,406	1,069	8,475
Arab States total				**9,377**	**9,377**	**9,800**	**2,900**	**9,518**	**2,900**	**38,072**	**5,800**	**43,871**
Latin America and the Caribbean	ARGENTINA	MIC		233	180	180	55	189	55	784	111	894
	BELIZE	MIC		21	16	16	72	32	72	85	143	229
	BOLIVIA	MIC		448	587	587	101	397	101	2,018	203	2,221
	BRAZIL	MIC		215	180	180	225	350	225	926	450	1,376
	CHILE	MIC		227	180	180	71	258	71	846	142	988
	COLOMBIA	MIC		227	298	298	89	322	89	1,144	178	1,322
	COSTA RICA	MIC		227	180	180	7	24	7	612	13	625
	CUBA	MIC		227	180	180	53	193	53	781	107	888
	DOMINICA	MIC		23	18	18	16	35	16	94	31	125
	DOMINICAN REPUBLIC	MIC		227	180	180	89	322	89	910	178	1,088
	ECUADOR	MIC		382	295	295	44	211	44	1,184	89	1,273
	EL SALVADOR	MIC		221	175	175	61	227	61	798	123	921
	GRENADA	MIC		24	19	19	16	37	16	99	33	132
	GUATEMALA	MIC		227	298	298	81	338	81	1,160	162	1,322
	GUYANA	LIC		233	298	298	31	264	31	1,092	61	1,153
	HAITI	LIC	LDC	1,203	1,534	1,534	327	1,246	327	5,517	654	6,171
	HONDURAS	LIC		372	389	389	309	583	309	1,731	617	2,349
	JAMAICA	MIC		227	180	180	53	193	53	781	107	888
	MEXICO	TransNCC		227	180	180	19	161	19	749	39	788
	MONTSERRAT	MIC		-	-	-	3	7	3	7	6	13
	NICARAGUA	LIC	LDC	1,063	1,355	1,355	65	801	65	4,573	129	4,703
	PANAMA	MIC		233	180	180	45	209	45	804	91	894
	PARAGUAY	MIC		227	180	180	125	350	125	938	250	1,188
	PERU	MIC		227	180	180	37	226	37	814	74	888
	SAINT LUCIA	MIC		22	17	17	15	33	15	90	29	119
	SAINT VINCENT AND THE GRENADINES	MIC		36	29	29	24	55	24	148	49	197
	SURINAME	MIC		68	53	53	61	103	61	277	122	399
	TRINIDAD AND TOBAGO	TransNCC		43	33	33	118	65	118	175	235	410
	URUGUAY	MIC		233	180	180	80	290	80	884	160	1,044
	VENEZUELA, Bolivarian Republic of	TransNCC		227	180	180	53	193	53	781	107	888
Latin America and the Caribbean total				**7,571**	**7,759**	**7,759**	**2,346**	**7,716**	**2,346**	**30,806**	**4,693**	**35,498**

Annex 1, continued

Annual TRAC-2 assignments at the $450 million and above the $450 million (additional $100 million) level of resources, 2004-2007

(in thousands of dollars)

Region	Country	Income status	LDC status	2004	2005	2006		2007		Total		Total at and above $450 million
						At $450 million	Above $450 million	At $450 million	Above $450 million	At $450 million	Above $450 million	
Europe and the Commonwealth of Independent States	ALBANIA	MIC		319	313	380	341	398	109	1,410	450	1,861
	ARMENIA	LIC		538	621	579	97	482	132	2,219	230	2,449
	AZERBAIJAN	LIC		815	764	713	283	749	206	3,042	489	3,530
	BELARUS	MIC		262	266	248	119	252	69	1,029	188	1,217
	BOSNIA AND HERZEGOVINA	MIC		336	330	307	115	344	95	1,317	210	1,527
	BULGARIA	MIC		258	253	244	117	298	82	1,053	199	1,252
	CROATIA	MIC		227	223	208	127	229	63	888	190	1,078
	FMR YUGOSLAV REP. OF MACEDONIA	MIC		227	275	256	62	245	67	1,003	130	1,133
	GEORGIA	LIC		577	870	812	127	612	168	2,870	295	3,165
	HUNGARY	TransNCC		105	103	-	-	-	-	208	-	208
	KAZAKHSTAN	MIC		238	223	208	109	226	62	895	171	1,066
	KYRGYZSTAN	LIC		1,109	921	859	429	879	242	3,768	670	4,438
	LATVIA	MIC		175	172	-	-	-	-	347	-	347
	LITHUANIA	MIC		175	172	-	-	-	-	347	-	347
	MONTENEGRO	MIC		-	-	320	97	322	88	642	186	828
	POLAND	MIC		350	350	-	-	-	-	700	-	700
	REPUBLIC OF MOLDOVA	LIC		636	624	582	310	627	172	2,468	482	2,951
	ROMANIA	MIC		238	275	256	53	237	65	1,006	118	1,124
	RUSSIAN FEDERATION	MIC		280	275	256	88	275	76	1,086	163	1,250
	SAINT HELENA	TransNCC		36	35	-	-	-	-	71	-	71
	SERBIA	MIC		736	722	674	205	677	186	2,809	391	3,199
	SLOVAK REPUBLIC	MIC		110	112	-	-	-	-	222	-	222
	TAJIKISTAN	LIC		1,283	1,259	1,174	570	1,147	315	4,862	885	5,748
	TURKEY	MIC		220	216	256	90	275	76	967	165	1,133
	TURKMENISTAN	MIC		389	365	341	146	344	95	1,440	241	1,680
	UKRAINE	LIC		1,003	984	1,461	-	1,002	275	4,449	275	4,724
	UZBEKISTAN	LIC		1,102	1,107	1,033	309	1,032	284	4,275	593	4,867
Europe and the Commonwealth of Independent States total				**11,744**	**11,831**	**11,168**	**3,793**	**10,651**	**2,927**	**45,394**	**6,720**	**52,113**
Grand total				**130,434**	**129,886**	**130,104**	**39,433**	**129,358**	**39,552**	**519,782**	**78,985**	**598,767**

Note: Additonal TRAC-2 was assigned to Montenegro for 2006 and 2007 when the country became independent in 2006.

Annex 2

Total TRAC-2 distribution, 2004-2007

(in thousands of dollars)

Category/region	Thousands of dollars*	As a percentage of total TRAC-2
Low-income countries	526,056	88.2%
Middle-income countries	70,328	11.8%
Total	**596,385**	**100.0%**
Least developed countries	364,744	61.2%
Africa	291,277	48.8%
Asia and the Pacific	175,990	29.5%
Arab States	43,871	7.4%
Latin America and the Caribbean	33,412	5.6%
Europe and the Commonwealth of Independent States	51,834	8.7%
Total	**596,385**	**100.0%**
Transitional net contributor countries (NCCs)	2,383	n/a
Grand total, including transitional NCCs	**598,767**	n/a

Annex 3

Fixed lines (from table 6 of document DP/2007/44)

($ millions, in nominal terms)

	2008-2011 $700m baseline
Fixed lines	**$**
Line 1.4 – Evaluation	-
Line 1.5 – South-South cooperation programme	4.5
Line 1.6 – Human Development Report Office	6.7
Line 1.6 – Office of Development Studies	1.8
Line 1.6 – Economist programme	7.0
Line 1.8 – Programme of Assistance to the Palestinian People	3.2
Line 1.8 – Gender mainstreaming	3.2
Line 3.1.1 – Development support services	7.0
Line 3.1.2 – Support to resident coordinator	16.0
Total fixed lines	**49.4**